REMARKS

In further support of the claims presented and amendments thereof, Applicants submit the following remarks.

I. Status of the Claims

Claims 1-21 were filed in the patent application were filed as a Divisonal Patent Application claiming priority from Patent Application Serial No. 09/684,737 which was filed October 10, 2000. In the first Office Action, for which this communication is being submitted in response, claims 1, 11, 21, are objected to; claims 2-3 and 12-13 are rejected to under 35 U.S.C. 112; claims1-3 and 6-21 stand rejected under 35 USC § 102 as being anticipated by Freeman (US Patent 6, 450,407); claims1, 11, 21, 6-10 and 16 -20 stand rejected under 35 USC § 102 as being anticipated by Guthrie et al (US Patent 6,467,686); and claims 4-5 stand rejected under 35 USC § 102 as being unpatentable over Freeman. Applicants cancel claims 2, 3, 9, 1 and 19, and have amended claims 1, 8, 10, 13, 20 and 21. Applicants now respectfully request reconsideration of their claims.

II. Applicants invention.

Applicants' invention is embodied in methods and systems that enable the processing of economic credits through public wireless communications networks for storage in and rendering utilizing servers (i.e., display or printing) and hand held devices using public wireless data communications. The hand held devices taught by applicants consisting of at least one of: a personal digital assistant (PDA), a mobile phone or paging device, or a combination thereof, adapted to enable a user to communicate with remote electronic devices through public wireless communications networks using public wireless communications and directly with a point of sale in close range using at least one radio frequency and/or infra red transceiver, access the Internet, store and manage personal data including telephone numbers and calendars, and also adapted as a nonproprietary device for use with removable smart card devices, said removable smart card devices for storing negotiable economic credits and said hand held device for managing negotiable economic credits stored in the removable smart card device. Processing of economic credits using the hand held devices taught by applicants can be achieved regardless and independent of continued communication of the hand held devices with public wireless communication networks or servers because processing can be achieved directly (at short range) with a point of sale using RF or IR communications.

III. Rejections Under 35 U.S.C. § 102/103

Independent claims 1, 11 and 21 were rejected under 35 U.S.C. 102 and being anticipated by either *Freeman* or *Guthrie*. Applicants have amended claims 1, 11 and 21 to more clearly and accurately specify that the hand held devices they teach to more accurately specify that the hand held devices they teach consisting of at least one of: a personal digital assistant (PDA), a mobile phone or paging device, or a combination thereof, adapted to enable a user to communicate with remote electronic devices through public wireless communications networks using public wireless communications and directly with a point of sale in close range using at least one radio frequency and/or infra red transceiver, access the Internet, store and manage personal data including telephone numbers and calendars, and also adapted as a nonproprietary device for use with removable smart card devices, said removable smart card devices for storing negotiable economic credits and said hand held device for managing negotiable economic credits stored in the removable smart card device.

Neither *Guthrie* nor *Freeman* teach or suggest a hand held device that is capable of more than simple coupon data processing. *Guthrie* only specifies that the hand held device is used for coupon transactions and that the hand held uses a cradle in order to connect to a point of sale or network for the transfer of or retrieval of coupons. *Guthrie* or *Freeman* don't teach *public wireless network communications*. Furthermore, Guthrie and Freeman do not teach two means of communications; public wireless communications for retrieving credits into the handheld and close range wireless transceivers for redeeming credits directly with a point of sale. It is clear that *Guthrie* only teaches a simple device used for the transfer of coupons from/to a server or network <u>using a hand held and a cradle</u>, The transfer of data between the hand held device and cradle can be wireless (see claims 8 and 22 of *Guthrie*), but Guthrie et al does not offer the ability or device for broader communications with wireless networks using hand held devices enabled as personal communicators (e.g., PDA, mobile phone, pager). Freeman is mostly directly to smart card or chip technology and merely refers to the invention's (a smart card) use within handheld devices, or with ATMs or points of sale.

M.P.E.P. §2143 requires the teaching or suggestion of all the claim limitations by the prior art reference (or references when combined) in order for a patent examiner to establish a prima facie case of obviousness. It follows that in the absence of such a prima facie showing of obviousness by the examiner (assuming there are no objections or other grounds for rejection), an applicant is entitled to grant of a patent. *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443 (Fed. Cir. 1992). Thus, in order to support an obviousness rejection, the Examiner is

obliged to produce evidence compelling a conclusion that each of the three aforementioned basic criteria has been met. The specific sections of *Guthrie et al* and *Freeman* cited by the examiner, alone or in combination, fail to teach or suggest key features of Applicant's invention as now more clearly specified in independent claims 1, 11 and 20.

Applicants believe that the rejection of claims 1, 11 and 20 is overcome by their amendment. The rejection under *Guthrie et al* in view of *Freeman* is believed traversed; therefore, Applicants respectfully request reconsideration of the claims.

IV. Conclusion

Applicant has amended independent claims 1, 11, and 21 in light of the art rejection and to place the independent claims in better form for allowance. It is believed that such amendments do not constitute new matter, but are rather clarifying in nature. Applicants has shown that his claimed invention is non-obvious relative to specific citations in the prior art. In view of the foregoing discussion, Applicant has responded to each and every rejection of the Official Action, and respectfully request that a timely Notice of Allowance be issued.

Should there be any outstanding matters that need to be resolved in the present application, the Examiner is respectfully requested to contact the undersigned representative to conduct an interview in an effort to expedite prosecution in connection with the present application.

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Respectfully submitted,

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